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# State of Utah Department of Commerce

## Division of Securities

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### NEWS RELEASE

June 20, 2007

#### **Davis County Promoter Accused of Selling Investment Interests in Nightclub** ***Brent told investors he would double their money in 30 days ...***

**SALT LAKE CITY, Utah** – A scheme to raise money from investors for a Salt Lake City nightclub was challenged today by the Utah Division of Securities. Jason King Brent, of Layton, was accused by the Utah Division of Securities of taking \$34,450 from two investors for a nightclub he claimed would be opening in Salt Lake City. The show cause order also accuses two of Brent's companies, Ice Nightclub, LLC, and Investment Capitalists LLC, of violating the law.

During the summer of 2005, the Division's order alleges Brent told the two investors he was forming a private club in Salt Lake City called Ice Nightclub and needed funds to get the club operating. He said he needed short-term funds to finish improvements for the club and promised to return the investments within 30 days – with 100% interest. The investors were told the return on their investment was not contingent on the success of the club and would be repaid by income from Brent's other businesses.

The Division alleges that Brent failed to pay the investors at the end of 30 days and asked for a two month extension. Even after the extension, Brent failed to pay any money to one investor and still owes \$21,900 to the other investor.

The order to show cause alleges that Brent and his companies falsely claimed the investors would double their money and that payment was guaranteed. Brent failed to disclose that he had an outstanding unpaid judgment against him and did not give the investors the type of disclosures that are required when soliciting investors, such as how the money would be used, Brent's background in operating nightclubs, and the success of the other businesses owned by Brent.

The Order seeks to impose a cease and desist order against Brent and his companies and the imposition of \$75,000 in fines. A hearing is set for July 27 to allow Brent and the companies an opportunity to contest the Division's allegations.

Investors are urged to contact the Division to make sure anyone offering investments is licensed. 801.530.6600, or toll free at 1.800.721.7233. [www.securities.utah.gov](http://www.securities.utah.gov).